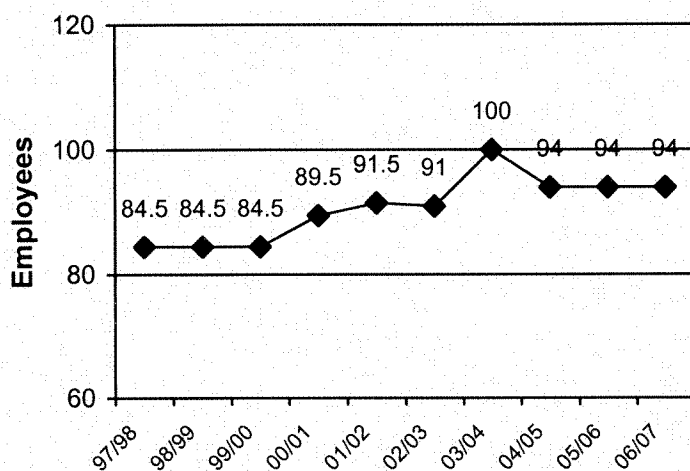


MISSION STATEMENT

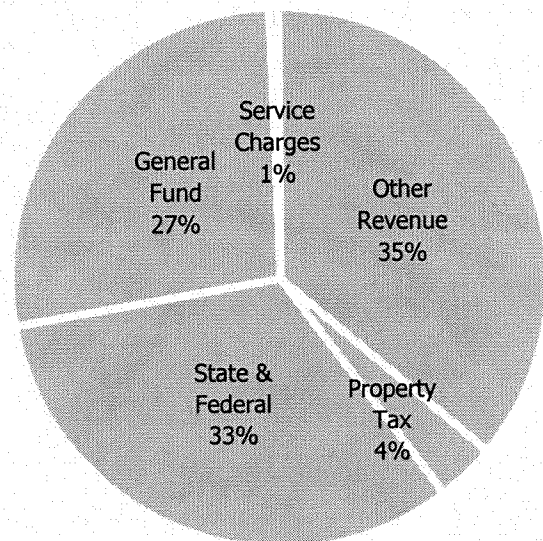
Provide public facilities and services that ensure health and safety and enhance quality of life for the community.

<u>Financial Summary</u>	<u>2005-06 Budget</u>	<u>2005-06 Projected</u>	<u>2006-07 Requested</u>	<u>2006-07 Recommended</u>	<u>Change from 2005-06</u>
Revenues	\$ 17,687,421	\$ 39,016,331	\$ 21,846,292	\$ 24,846,292	\$ 7,158,871
Fund Balance Available	\$ 609,125	\$ 609,125	\$ 0	\$ 0	\$ (609,125)
Cancelled Reserves	1,135,953	1,492,641	73,000	73,000	(1,062,953)
Total Financing Sources	\$ 19,432,499	\$ 41,118,097	\$ 21,919,292	\$ 24,919,292	\$ 5,486,793
Salary and Benefits	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Services and Supplies	14,051,263	13,551,263	14,779,792	14,779,792	728,529
Other Charges	49,000	52,000	19,000	19,000	(30,000)
Fixed Assets	5,023,111	27,205,709	7,120,500	10,120,500	5,097,389
Gross Expenditures	\$ 19,123,374	\$ 40,808,972	\$ 21,919,292	\$ 24,919,292	\$ 5,795,918
Contingencies	0	0	0	0	0
New Reserves	309,125	309,125	0	0	(309,125)
Total Financing Requirements	\$ 19,432,499	\$ 41,118,097	\$ 21,919,292	\$ 24,919,292	\$ 5,486,793

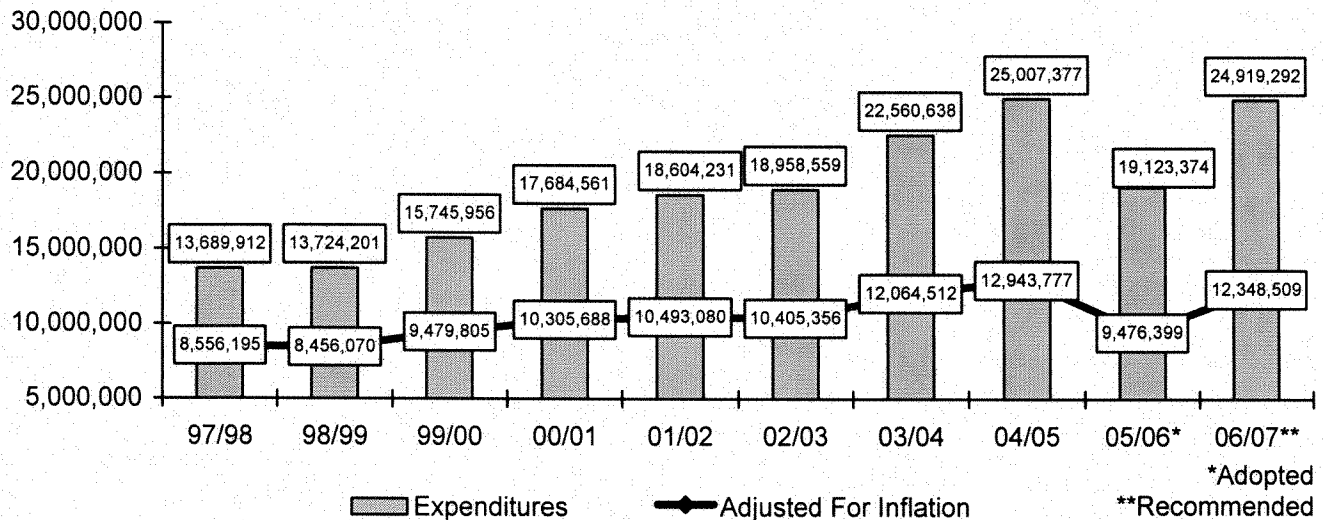
Number of Employees
(Full Time Equivalent)



Source of Funds



10 Year Expenditures Adjusted For Inflation



SERVICE PROGRAM DESCRIPTION

Roads Construction

Construct new, or make major improvements to, roads within the unincorporated area of the county.

Total Expenditures: \$10,120,500 Total Staffing (FTE): 19

Roads Maintenance

Maintain, or make minor improvements to, existing county roads within the unincorporated area of the county.

Total Expenditures: \$14,798,792 Total Staffing (FTE): 75

DEPARTMENT COMMENTS

The primary functions of the Road Fund are Construction and Maintenance. Construction related activities include new roads, road reconstruction, new lights and traffic signals, bridges, pedestrian ways and bike paths, drainage improvements, transportation planning, right of way, environmental, encroachment inspections, curb gutter and sidewalk design, and administration. Maintenance related activities include County Road Crew work to maintain these structures as well as the pavement management program on over 1,300 miles of County Roads.

Examples of key accomplishments in the past year FY 05/06

Customer Service –

1. Overlaid approximately 24 miles of pavement to maintain average pavement condition in the high 60 range, which is considered good (61-80) by industry standards (using a 100 point scale).
2. Delivered over \$3.5 million in capital projects to address safety and capacity concerns.

Internal Business Improvements –

1. Implemented new system for maintenance work orders to speed notification and tie work orders directly to financial system for better reporting.
2. Worked with Planning Department to initiate the development of a model for anticipating infrastructure needs and financing prior to development.
3. Consolidated two major road yards to provide road maintenance services Countywide more cost effectively and efficiently.

Finance –

1. Reassessed fees for road improvement mitigation within urban areas to ensure adequate funding availability.
2. Updated pavement management program to determine future investment needs and develop a cost/benefit analysis of road investment.

Learning and Growth –

1. Provided equipment and safety training to prevent unnecessary breakdowns and improve worker safety.
2. Trained staff on new financial and work order systems, which will improve reporting and crew efficiency by speeding notification of road hazards and automation of scheduled work orders.

Examples of objectives for the next year FY 06/07**Customer Service –**

1. Overlay at least 10 miles of roadway to maintain the pavement condition rating in the mid 60 range.
2. Deliver over \$7 million in capital projects to address safety and capacity concerns, as well as begin an approximately three year implementation of a \$3 million drainage improvement program to address roads related flooding concerns in several communities.

Internal Business Improvements –

1. Implement an encroachment permit database to improve issuance, tracking and disposition of permits.
2. Enhance maintenance activities to address more stringent environmental regulatory requirements.

Finance –

1. Develop new road impact fee areas in San Miguel, Paso Robles fringe, and Arroyo Grande fringe to mitigate increased development impacts.
2. Adjust existing fee structures to match capital infrastructure needs.

These efforts will ensure that new development pays for the impact of their projects and that existing revenues are used for existing maintenance needs and are not use to subsidize new development.

Learning and Growth –

1. Train key staff on maintenance of new GIS systems, American's with Disabilities Act (ADA) requirements, and National Pollutant Discharge Elimination System (NPDES) requirements.
2. Provide Capital Project Managers with financial training and quality control of consultants to improve cost control through budget tracking and timeliness of project delivery.

Key Challenges –

1. Implementation of roads-related NPDES requirements within existing resources. The department is working toward additional training, asset inventory tracking, as well as partnering with other agencies to leverage funding.
2. Obtaining timely regulatory agency permits for projects. The department is leveraging its good reputation to press agencies for better communication of needs and faster permit issuance.
3. Long range funding of road projects given stagnant revenues and steeply rising construction costs. The department is working to secure regional funding through SLOCOG, annually updating impact fees, and developing a model for infrastructure financing needs with the Planning Department.

RECOMMENDED BUDGET AUGMENTATION REQUESTS AND RELATED RESULTS

Unit Amount	Description	Results
Gross: \$3,000,000 General Fund Support: \$3,000,000	To implement various roads-related flood control improvement projects in San Miguel, Cambria, Cayucos, Oceano and Nipomo per the 2004 Six Community Drainage Study.	<ul style="list-style-type: none"> ▪ Increase flood event capacity of storm drains and culverts (listed below) from the existing 10-year flood event to 25-year flood event capacity, thus reducing the incidence of flooding in these neighborhoods. ▪ Reduce the number and potential flood claims submitted to the County.
Gross: \$1,178,000 General Fund Support: \$475,000	To complete eight capital projects that will require local match to qualify for State and Federal funding.	To alleviate traffic congestion and improve safety.

COUNTY ADMINISTRATOR'S COMMENTS AND RECOMMENDATIONS

The recommended budget includes a \$3,475,000 increase in General Fund support as compared to the FY 2005-06 Adopted Budget. The vast majority of this increase is attributable to the Board's direction on March 28, 2006 to include a one-time augmentation of \$3,000,000 to fund the improvements to specific roadway facilities to provide sufficient drainage capacity during a 25-year flood event. The projects to be funded with this \$3 million in General Fund include:

In Nipomo –

- Mallagh Street Culvert at Chestnut Street
- Mallagh Street Culvert at Haystack Creek
- Burton Street Culvert at B Street
- Sea and Burton Street Culvert
- Thompson Avenue Culvert
- Tefft and Avocado Culvert

In other communities

- River Road Storm Drain in San Miguel
- Castle Street Storm Drain in Cambria
- Birch Street Diversion Pipe in Cayucos
- LaVerne and Holden Street Infiltration Units in Oceano

It is expected that these projects will be completed by October 2008.

In addition, \$475,000 in increased General Fund Support will be used to leverage approximately \$703,000 in State and Federal funding to complete eight projects that would not be completed without the additional General Fund support. These projects include: widening of Price Canyon Road and Vachell lane; signal improvements at Los Osos Valley Road at the 9th, 10th and Foothill intersections, at the Tefft and Mary intersection in Nipomo, and at the Main and Vineyard intersection in Templeton; widening of the shoulder on the River Road Curve in San Miguel and realignment of Santa Fe Road. This increase brings the total General Fund support to \$9.21 million for FY 2006-07, and will allow for a 10% increase in the budgeted Pavement Management Program. (Note; the department was able to significantly increase the Pavement Management program in FY 2005-06 due to the unanticipated receipt of \$1.45 million in Proposition 42 revenue from the State. This augmentation of the program resulted in the submittal of bids quite a bit lower than the Engineer's estimate and resulted in overlay of more than double the length of County roadway expected when the FY 2005-06 budget was adopted.)

State funding from Proposition 42 has been restored by the State for FY 2006-07 and is included in the recommended budget at \$1.5 million to fund the Maintenance Program.

The department will cancel \$73,000 in Future Roads Project Reserves to fund the Roads budget. This will leave a balance of \$1 million (or approximately 4% of the total budget) in the reserve to be used for any project cost overruns and/or to pay for unanticipated repair of road damage caused by storms or other damaging events.

GOALS AND PERFORMANCE MEASURES

Department Goal: Maintain a good quality county-road system.						
Community-wide Result Link: A livable community, a safe community.						
1. Performance Measure: Pavement Condition Rating (PCR) for ALL county roads.						
01-02 Actual Results	02-03 Actual Results	03-04 Actual Results	04-05 Actual Results	05-06 Adopted	05-06 Projected Results	06-07 Target
65	64	64	58	57	67	66
<p>What: The Board of Supervisors has established the goal of maintaining a PCR for all roads within the unincorporated area of the county at 70 or better, with no one road category falling below a PCR of 60. A 70 PCR is equivalent to a "good" on a grading basis of poor, fair, good, excellent. This rating is determined by a triennial physical review of the road system.</p> <p>Why: To document the status and determine the maintenance needs of the road system to effectively serve the traveling public.</p> <p>How are we doing? The Department has completed a re-inventory of pavement conditions in FY 05/06 and migrated to a new pavement management system. The results place the conditions on a slightly different rating chart which shows us doing better than we had expected when the conditions were defined at a level of 58 at the end of FY 04/05. The new software estimates our current year overall rating at 67 which is just below our target goal of 70. Currently, our arterial roads are doing very well due to the last five years of pavement rehabilitation work. The 600 miles of collector roadways are not in as good shape, with roughly one third well below 50 and in need of extensive repairs. Local streets are also nearing a point where patching and other more costly repairs will be needed. Over the next five years, the Department will need to overlay these collector roads as well as fund a cyclic preventative seal coat program on local streets. However, at the Board's established pavement management expenditure level of approximately \$2 million per year, the current rating will moderately but steadily decline over the next ten years to the mid to low 50s. The addition of Prop 42 funds in FY 05/06 of \$1.3 million will go toward this effort but significant cost increases for asphalt and trucking has eroded the mileage that can be repaired at this funding level.</p>						
2. Performance Measure: Collisions per 100 million entering vehicles at non-signalized intersection.						
01-02 Actual Results	02-03 Actual Results	03-04 Actual Results	04-05 Actual Results	05-06 Adopted	05-06 Projected Actual	06-07 Target
33	34	35	35	32	34	34
<p>What: Number of collisions per 100 million entering vehicles traveled within the unincorporated area of the county (5-year average).</p> <p>Why: To determine if this component of the road system is maintaining its expected safety level. To review possible safety problem areas if the measure exceeds expectations and determine which improvements are warranted.</p> <p>How are we doing? Our collision rate for these intersections is at the State Highway average of 34. We have identified the intersections requiring significant improvements by conducting an annual safety analysis. There are three projects for constructing left turn pockets in FY 06/07 and the Department has taken action to convert other locations to all-way stop control or improved intersection visibility. We expect the collision rate to remain at the State Highway benchmark for as we address existing locations of concern and see reduction in collision frequency after improvement, there are new locations of concern developing as traffic patterns shift to outlying rural areas being developed.</p>						
3. Performance Measure: Collisions per 100 million entering vehicles at signalized intersections.						
01-02 Actual Results	02-03 Actual Results	03-04 Actual Results	04-05 Actual Results	05-06 Adopted	05-06 Projected Actual	06-07 Target
43	48	43	43	40	43	42
<p>What: Number of signalized intersection collisions per 100 million entering vehicles within the unincorporated area of the county (5-year average).</p> <p>Why: To determine if this component of the road system is maintaining its expected safety level. To review possible safety problem areas if the measure exceeds expectations.</p> <p>How are we doing? Our collision rate is below the State Highway average of 50. With increased travel on our County roads, we will see an increased number of signalized intersections over the next five years and we will continue to monitor these intersections to ensure safe and efficient operations. Several locations will be upgraded during FY 06/07 and we would expect the rate to remain well below the State Highway rate benchmark.</p>						

4. Performance Measure: Collisions per 100 million miles on rural roads.						
01-02 Actual Results	02-03 Actual Results	03-04 Actual Results	04-05 Actual Results	05-06 Adopted	05-06 Projected Actual	06-07 Target
162	144	143	153	135	160	150
<p>What: Number of rural road collisions per 100 million miles traveled within the unincorporated area of the county (5-year average).</p> <p>Why: To determine if this component of the road system is maintaining its expected safety level. To review possible safety problem areas if the measure exceeds expectations. These are arterial, collector, or local roadways that are located outside the urban reserve lines of the communities.</p> <p>How are we doing? The Department concentrated on rural traffic controls improvements in the period of 1998 through 2003 and had seen a 20% decline in the collision rate in that time down to 143. While the Department continued these efforts in 2004 and 2005, there was an up swing in collision frequency, particularly along minor roads in the outlying areas in developing areas. Of greatest concern is the number of fatal and severe injury collisions. In 2004, there were 12 fatal collisions. For 2005, we have seen 15 fatal collisions. This is double the number we had seen in the preceding ten years. In FY 06/07, the Department will improve road markings and shoulder condition in these outlying roadways as they are identified in our safety analysis. The State Highway rate is 130 and remains our ultimate goal over the next five years.</p>						
5. Performance Measure: Collisions per 100 million miles on suburban roads						
01-02 Actual Results	02-03 Actual Results	03-04 Actual Results	04-05 Actual Results	05-06 Adopted	05-06 Projected Actual	06-07 Target
284	279	259	249	245	240	235
<p>What: Number of suburban road collisions per 100 million miles traveled (5-year average).</p> <p>Why: To determine if this component of the road system is maintaining its expected safety level. To review possible safety problem areas if the measure exceeds expectations. These roads are located within the urban reserve lines.</p> <p>How are we doing? We expect to continue our trend downward on the collision rate and meet our target. Suburban roads involve environments with many driveways and turning conflicts, which must be managed to reduce collision rates. Our department has been working on access management through updated standards and adoption of corridor plans on the major thoroughfares as well as working with private development to assure safety. These actions over the next 3-4 years should continue to move us toward the benchmark rate on State Highways of 190.</p>						
6. Performance Measure: Bridge sufficiency rating						
01-02 Actual Results	02-03 Actual Results	03-04 Actual Results	04-05 Actual Results	05-06 Adopted	05-06 Projected Actual	06-07 Target
89%	90%	92%	90%	90%	91%	92%
<p>What: Percentage of bridges with State assigned sufficiency rating over 50.0 (above 50.0 indicates a bridge is in good repair.)</p> <p>Why: To review maintenance and funding needs in order to keep the structures in a good state of repair.</p> <p>How are we doing? Our adopted target of 90% should be exceeded for 05/06. Progress continues on all of our 10 active bridge replacement projects. Construction on the Las Pilitas Road bridge at the Salinas River (near Santa Margarita) was recently completed. We are currently in the right-of-way phase of the Turri Road (near Los Osos) and San Luis Bay Drive (near Avila) bridge replacement projects. Construction should begin in the spring/summer of 2006 on these projects.</p>						